

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
)	
W. R. GRACE & CO., et al., ¹)	Case No. 01-01139 (JKF)
)	(Jointly Administered)
Debtors.)	
)	Re docket no. 27231 , 9315
)	Hearing Agenda item no. _____

**ORDER AUTHORIZING SETTLEMENT OF ASBESTOS PROPERTY DAMAGE
CLAIMS FILED BY THE STATE OF CALIFORNIA, DEPARTMENT OF GENERAL
SERVICES**

Upon consideration of the *Debtors' Motion for an Order Authorizing Settlement of Asbestos Property Damage Claims Filed by the State of California, Department of General Services* (the "Motion"); and due and proper notice of the Motion having been given; and it appearing that the relief requested in the Motion is in the best interests of the Debtors,² their estates and creditors, it is hereby ORDERED that:

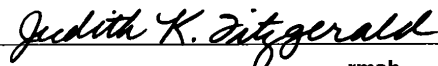
¹ The Debtors consist of the following 62 entities: W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc.), W. R. Grace & Co.-Conn., A-1 Bit & Tool Co., Inc., Alewife Boston Ltd., Alewife Land Corporation, Amicon, Inc., CB Biomedical, Inc. (f/k/a Circe Biomedical, Inc.), CCHP, Inc., Coalgrace, Inc., Coalgrace II, Inc., Creative Food N Fun Company, Darex Puerto Rico, Inc., Del Taco Restaurants, Inc., Dewey and Almy, LLC (f/k/a Dewey and Almy Company), Ecarg, Inc., Five Alewife Boston Ltd., G C Limited Partners I, Inc. (f/k/a Grace Cocoa Limited Partners I, Inc.), G C Management, Inc. (f/k/a Grace Cocoa Management, Inc.), GEC Management Corporation, GN Holdings, Inc., GPC Thomasville Corp., Gloucester New Communities Company, Inc., Grace A-B Inc., Grace A-B II Inc., Grace Chemical Company of Cuba, Grace Culinary Systems, Inc., Grace Drilling Company, Grace Energy Corporation, Grace Environmental, Inc., Grace Europe, Inc., Grace H-G Inc., Grace H-G II Inc., Grace Hotel Services Corporation, Grace International Holdings, Inc. (f/k/a Dearborn International Holdings, Inc.), Grace Offshore Company, Grace PAR Corporation, Grace Petroleum Libya Incorporated, Grace Tarpon Investors, Inc., Grace Ventures Corp., Grace Washington, Inc., W. R. Grace Capital Corporation, W. R. Grace Land Corporation, Gracoal, Inc., Gracoal II, Inc., Guanica-Caribe Land Development Corporation, Hanover Square Corporation, Homco International, Inc., Kootenai Development Company, L B Realty, Inc., Litigation Management, Inc. (f/k/a GHSC Holding, Inc., Grace JVH, Inc., Asbestos Management, Inc.), Monolith Enterprises, Incorporated, Monroe Street, Inc., MRA Holdings Corp. (f/k/a Nestor-BNA Holdings Corporation), MRA Intermedco, Inc. (f/k/a Nestor-BNA, Inc.), MRA Staffing Systems, Inc. (f/k/a British Nursing Association, Inc.), Remedium Group, Inc. (f/k/a Environmental Liability Management, Inc., E&C Liquidating Corp., Emerson & Cuming, Inc.), Southern Oil, Resin & Fiberglass, Inc., Water Street Corporation, Axial Basin Ranch Company, CC Partners (f/k/a Cross Country Staffing), Hayden-Gulch West Coal Company and H-G Coal Company (collectively "Debtors" or "Grace").

² Capitalized terms not defined herein shall have the meaning ascribed to them in, the Settlement or the *First Amended Joint Plan of Reorganization* in these Chapter 11 Cases, as amended, Docket nos. 19579, 20666, 20872, 20873, 21594, 24657 & 25881 (the "Plan").

1. The Motion is granted in its entirety.
2. Notwithstanding the provisions of Paragraph 22 of the Agreement, neither the PI FCR, nor the PD FCR, nor the ACC, nor the PD Committee shall be limited or restricted in its rights to use, construe, offer or receive the Settlement for any purpose permitted by applicable law and/or rule, with the PI FCR, the PD FCR, the ACC, the PD Committee and the Parties preserving all rights and objections with respect thereto; provided, however, that, in the event the Settlement is terminated in accordance with its terms, neither the PI FCR, nor the PD FCR, nor the ACC, nor the PD Committee may use the Settlement, the agreements provided for therein, or any actions taken by any of the Parties pursuant to or in connection with the Settlement to negotiate, effectuate, consummate or carry out the Settlement, or to prosecute the Motion and obtain entry of the Order, in or in connection with any proceeding to determine the allowed amount of the Claims (including, without limitation any estimation proceeding for allowance or distribution purposes).
3. The Debtors are authorized to enter into the Settlement and to execute, deliver, implement and fully perform any and all obligations, instruments, documents and papers and to take any and all actions reasonably necessary or appropriate to consummate the Settlement and perform any and all obligations contemplated therein.
4. The Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of this Order and the Settlement.

5. This Order shall be effective and enforceable immediately upon entry and its provisions shall be self-executing and shall not be stayed under Fed. R. Bankr. P. 6004(h).

Dated: August 16, 2011



Honorable Judith K. Fitzgerald^{lmab}
United States Bankruptcy Judge